



United States Department of Agriculture
Risk Management Agency

August 2011

2012 COMMODITY INSURANCE FACT SHEET

Peppers Florida

Crop Insured

The crop insured will be all the bell peppers in the county for which a premium rate is provided by actuarial documents—

- in which you have a share;
- that are planted for harvest as fresh market bell peppers;
- that are planted within periods designated on the actuarial documents;
- that are irrigated; and
- that are grown on acreage covered by plastic mulch.

The insured must have grown bell peppers for commercial sale or have participated in the management of the pepper farming operation in at least one of the previous three crop years. The soil must be fumigated, or properly treated, if tomatoes, eggplants, tobacco or peppers (except under replant provisions) have previously been grown. See policy provisions for more detailed information.

Counties Available

Broward	Hendry	Palm Beach
Charlotte	Hillsborough	St Lucie
Collier	Lee	Sarasota
Glades	Manatee	
Hardee	Martin	

Causes of Loss

Excess rain	Hail
Failure of irrigation water supply ¹	Tornado
Fire	Tropical depression
Freeze	

¹If caused by an insured peril during the insurance period.
Note: Causes of loss not covered include (1) disease or insect infestation, unless no effective control measure exists for such disease or insect infestation, and (2) inability to market the tomatoes for any reason other than actual physical damage from an insurable cause of loss that occurs during the insurance period.

Insurance Period

Coverage usually begins when the pepper is planted and ends at the earliest of :

- (1) total destruction of the peppers on the unit,
- (2) the date harvest should have started on the unit on any acreage that will not be harvested,
- (3) abandonment of the crop,
- (4) final harvest, or
- (5) final adjustment of a loss on the unit.

The calendar date for the end of the insurance period as follows: (a) 165 days after the date of direct-seeding or replanting with seed; and (b) 150 days after the date of transplanting or replanting with transplants.

Reporting Requirements

Acreage Report—You must report to your insurance provider on or before the acreage reporting date. See your insurance agent for detailed requirements.

Notice of Loss—See your insurance agent for detailed requirements.

Important Dates

Sales Closing.....	July 31
Final Planting.....	(Dates differ by county)
Acreage Reporting.....	(Dates differ by county)
Premium Billing.....	May 1
Cancellation/Termination.....	July 31

Definitions

Box—One and one-ninth (1-1/9) bushels of the insured crop.

Cancellation Date—The calendar date specified in the crop provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

Harvest—The picking of the peppers on the unit.

Insurance Guarantee—A dollar amount of insurance per acre that is determined by multiplying the reference maximum dollar amount by the coverage level. The percent of the insurance guarantee that is in force will depend on the plant growth stage in table below.

Stage	Percent of insurance amount per acre selected	Length of Time (Direct Seeded)	Length of Time (Transplanted)
1	65	Planting thru 74 th day after planting	Planting thru 44 th day after planting
2	85	From 75 th day after planting until stage 3	From 45 th day after planting until stage 3
3	100	Earlier of 110 days after planting or the beginning of harvest	Earlier of 80 days after planting or the beginning of harvest

Reference Maximum Dollar Amount—The dollar amount set in the actuarial tables that is used in calculating the dollar coverage amount per acre for the insurance guarantee.

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of the reference maximum dollar amount per acre shown on the prices tab of the actuarial documents <http://webapp.rma.usda.gov/apps/ActuarialInformationBrowser/>. Premiums are subsidized as shown in the table below. As an example, if the reference maximum dollar amount is \$7,225 the 65-percent coverage level results in a \$4,696 guarantee per acre.

Item	Percent						
Coverage Level	50	55	60	65	70	75	
Premium Subsidy	67	64	64	59	59	55	
Your Premium Share	33	36	36	41	41	45	

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

Replant Provisions

A replant payment may be allowed if, due to an insured cause of loss, more than 50 percent of the plant stand will not produce peppers and it is still practical to replant. See your insurance agent for additional information.

Loss Example

This loss example is based on one acre of peppers in Collier County, Florida with a reference maximum dollar amount of \$7,225, 100-percent share, and an insured cause of loss occurring in the final stage of production.

At the 65-percent coverage level, there is a \$4,696 insurance guarantee per acre. The example assumes an average producer sale price of \$13.50 per box and average production of 400 boxes per acre.

\$ 5.15 Allowable cost per 1-1/9 bushel box

\$4,696 Amount of coverage elected per acre
 - \$3,340 Production to count is 400 boxes sold at
 \$8.35 each (\$13.50 price - \$5.15 allowable cost)

\$1,356 Indemnity per acre

Note: The net value per container cannot be less than the minimum value (see definitions) unless you have purchased the minimum value option with the payment of an additional premium.

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